



DEPARTMENT OF COMMERCE
International Trade Administration

[C-570-989]

Certain Frozen Warmwater Shrimp from the People's Republic of China: Preliminary
Countervailing Duty Determination

AGENCY: Import Administration, International Trade Administration, Department of
Commerce

SUMMARY: The Department of Commerce (the Department) preliminarily determines that
countervailable subsidies are being provided to producers and exporters of certain frozen
warmwater shrimp (frozen shrimp) from the People's Republic of China (PRC). The period of
investigation (POI) is January 1, 2011, through December 31, 2011. Pursuant to section
705(a)(1) of the Tariff Act of 1930, as amended (the Act), the final determination will be issued
75 days after the date that the Department makes this preliminary determination.

EFFECTIVE DATE: [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT: John Conniff, AD/CVD Operations, Import
Administration, International Trade Administration, U.S. Department of Commerce, 14th Street
and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1009.

SUPPLEMENTARY INFORMATION:

Scope of the Investigation

The products covered by this investigation are certain frozen warmwater shrimp and
prawns, whether wild-caught (ocean harvested) or farm-raised (produced by aquaculture), head-
on or head-off, shell-on or peeled, tail-on or tail-off, deveined or not deveined, cooked or raw, or
otherwise processed in frozen form, regardless of size. For a complete description of the scope
of the investigation, *see* Appendix 1 to this notice.

Methodology

The Department is conducting this CVD investigation in accordance with section 701 of

the Tariff Act of 1930, as amended (the Act). For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.¹ The Preliminary Decision Memorandum is a public document and is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <http://iaaccess.trade.gov>, and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at <http://www.trade.gov/ia/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

In accordance with section 703(d)(1)(A)(i) of the Act, we calculated a countervailing duty rate for each individually investigated producer/exporter of the subject merchandise. For companies not individually investigated, we have calculated an all others rate as described in the Preliminary Decision Memorandum.

Preliminary Determination and Suspension of Liquidation

We preliminarily determine the countervailable subsidy rates to be:

Company	Subsidy Rate
Zhanjiang Guolian Aquatic Products, Co., Ltd. (Guolian), Zhanjiang Guolian Feed Co., Ltd. (Guolian Feed), Zhanjiang Guolian Aquatic Fry Technology Co., Ltd. (Guolian Fry), Zhanjiang Guotong Aquatic Co., Ltd. (Guotong) (collectively, the Guolian Companies),	5.76 percent
All Others	5.76 percent

¹ See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Import Administration, regarding "Decision Memorandum for the Preliminary Determination in the Countervailing Duty Investigation of Certain Frozen Warmwater Shrimp from the People's Republic of China," dated concurrently with this notice (Preliminary Decision Memorandum).

In accordance with sections 703(d)(1)(B) and (2) of the Act, we are directing U.S. Customs and Border Protection to suspend liquidation of all entries of frozen shrimp from the PRC that are entered, or withdrawn from warehouse, for consumption on or after the date of the publication of this notice in the *Federal Register*, and to require a cash deposit for such entries of the merchandise in the amounts indicated above.

Disclosure and Public Comment

The Department intends to disclose to interested parties the calculations performed in connection with this preliminary determination within five days of public announcement of this determination.² Interested parties may submit case and rebuttals briefs.³ For a schedule of the deadlines for filing case briefs, rebuttal briefs, and hearing request, *see* the Preliminary Determination Memorandum.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act.

Ronald K. Lorentzen
Acting Assistant Secretary
for Import Administration

May 28, 2013 _____
Date

² *See* 19 CFR 351.224(b).

³ *See* 19 CFR 351.309.

Appendix 1

Scope of the Investigation

The products covered by this investigation are certain frozen warmwater shrimp and prawns, whether wild-caught (ocean harvested) or farm-raised (produced by aquaculture), head-on or head-off, shell-on or peeled, tail-on or tail-off,⁴ deveined or not deveined, cooked or raw, or otherwise processed in frozen form, regardless of size.

The frozen warmwater shrimp and prawn products included in the scope, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products which are processed from warmwater shrimp and prawns through freezing and which are sold in any count size.

The products described above may be processed from any species of warmwater shrimp and prawns. Warmwater shrimp and prawns are generally classified in, but are not limited to, the *Penaeidae* family. Some examples of the farmed and wild-caught warmwater species include, but are not limited to, whiteleg shrimp (*Penaeus vannamei*), banana prawn (*Penaeus merguensis*), fleshy prawn (*Penaeus chinensis*), giant river prawn (*Macrobrachium rosenbergii*), giant tiger prawn (*Penaeus monodon*), redspotted shrimp (*Penaeus brasiliensis*), southern brown shrimp (*Penaeus subtilis*), southern pink shrimp (*Penaeus notialis*), southern rough shrimp (*Trachypenaeus curvirostris*), southern white shrimp (*Penaeus schmitti*), blue shrimp (*Penaeus stylirostris*), western white shrimp (*Penaeus occidentalis*), and Indian white prawn (*Penaeus indicus*).

Frozen shrimp and prawns that are packed with marinade, spices or sauce are included in the scope. In addition, food preparations (including dusted shrimp), which are not “prepared meals,” that contain more than 20 percent by weight of shrimp or prawn are also included in the scope.

Excluded from the scope are: (1) Breaded shrimp and prawns; (2) shrimp and prawns generally classified in the *Pandalidae* family and commonly referred to as coldwater shrimp, in any state of processing; (3) fresh shrimp and prawns whether shell-on or peeled; (4) shrimp and prawns in prepared meals; (5) dried shrimp and prawns; (6) canned warmwater shrimp and prawns; and (7) certain “battered shrimp” (see below).

“Battered shrimp” is a shrimp-based product: (1) That is produced from fresh (or thawed-from-frozen) and peeled shrimp; (2) to which a “dusting” layer of rice or wheat flour of at least 95 percent purity has been applied; (3) with the entire surface of the shrimp flesh thoroughly and evenly coated with the flour; (4) with the non-shrimp content of the end product constituting between four and 10 percent of the product’s total weight after being dusted, but prior to being frozen; and (5) that is subjected to individually quick frozen (IQF) freezing immediately after application of the dusting layer. When dusted in accordance with the definition of dusting above, the battered shrimp product is also coated with a wet viscous layer containing egg and/or milk, and par-fried.

The products included in the scope of this investigation are currently classified under the following HTSUS subheadings: 0306.17.00.03, 0306.17.00.06, 0306.17.00.09, 0306.17.00.12,

⁴ “Tails” in this context means the tail fan, which includes the telson and the uropods.

0306.17.00.15, 0306.17.00.18, 0306.17.00.21, 0306.17.00.24, 0306.17.00.27, 0306.17.00.40, 1605.21.10.30 and 1605.29.10.10. These HTSUS subheadings are provided for convenience and for customs purposes only and are not dispositive, but rather the written description of the scope is dispositive.

Appendix 2

List of Topics Discussed in the Preliminary Decision Memorandum

1. Scope Comments
2. Scope of the Investigation
3. Injury Test
4. Subsidies Valuation
5. Use of Facts Otherwise Available and Adverse Inferences
6. Analysis of Programs
7. Calculation of the All Others Rate
8. Disclosure and Public Comment
9. Verification
- 10.
- 11.
12. [FR Doc. 2013-13231 Filed 06/03/2013 at 8:45 am; Publication Date: 06/04/2013]